# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



# FISCAL MEMORANDUM

# SB 1851 – HB 1887

March 25, 2014

**SUMMARY OF ORIGINAL BILL:** Requires any parent or caretaker applying for and receiving assistance through the temporary assistance for needy families (TANF) program, on or after July 1, 2014, to receive a temporary assistance grant and provide documented evidence, in person, to the Department of Human Services (DHS) that he or she has successfully completed one of the five mandated requirements to establish the parent or caretaker's involvement in the child's academic progress. Upon completion of one of the requirements, the parent or caretaker shall receive an increase in subsequent temporary assistance payments. Authorizes DHS to define by rule what is considered documented evidence. Failure for the parent or caretaker to comply with the requirements will result in assistance being limited to a child only grant until compliance occurs.

#### FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Current Department of Human Services resources will have to be shifted from existing projects to make the necessary systems changes to comply with the provisions of the bill.

**SUMMARY OF AMENDMENT (014912):** Deletes all language after the enacting clause. Requires the personal responsibility plan created as a condition of TANF eligibility to include requirements, if the need is identified relative to the child, that the parent or guardian attends two or more conferences within a year with the child's teacher to review the child's status in school; attends at least eight hours of parenting classes; or participates in such support services that the child may need as determined by DHS to overcome any school, family, or other barriers that may interfere with the child's and the family's ability to be successful. These additional requirements are effective January 1, 2015.

## FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**NOT SIGNIFICANT** 

Assumptions for the bill as amended:

- Currently, parents and guardians are required to sign a personal responsibility plan. Any operational expenses incurred by incorporating the new requirements, when appropriate, will not be significant and can be accommodated within existing DHS resources.
- Any necessary programming and systems changes to the ACCENT program to account
  for the additional requirements of the personal responsibility plan will not result in a
  significant increase in expenditures and can be accommodated within existing resources.
- The provisions of the legislation may result in a reduction in TANF assistance granted to applicants if they do not meet the new requirements. It is unknown how many of the new applicants will be required to meet the additional criteria and of those, who will not fulfill one of the requirements. Any TANF funds not utilized will be re-invested in the TANF program to provide other services.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Lucian D. Geise, Executive Director

/kml